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SECTION 2 - H66 -LOTTERY EXPENDITURE ACCOUNT

DELETE (FY 08-09 Lottery Funding) Directs expenditure of lottery funds for Fiscal Year 2009-09.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

2.6. (LEA: FY 08-09 Lottery Funding) There is appropriated from the Education Lottery Account for the following education purposes and programs and funds for these programs and purposes shall be transferred by the Budget and Control Board as directed below. These appropriations must be used to supplement and not supplant existing funds for education.

The Budget and Control Board is directed to prepare the subsequent Lottery Expenditure Account detail budget to reflect the appropriations of the Education Lottery Account as provided in this section.

All Education Lottery Account revenue shall be carried forward from the prior fiscal year into the current fiscal year including any interest earnings, which shall be used to support the appropriations contained below.

For Fiscal Year 2008-09 certified net lottery proceeds and investment earnings and any other proceeds identified by this provision are appropriated as follows:

(1) Commission on Higher Education—Tuition Assistance
Two-Year Institutions \$47,000,000;
(2) Commission on Higher EducationLIFE Scholarships as
provided in Chapter 149 of Title 59\$ 85,256,682;
(3) Commission on Higher EducationHOPE Scholarships as
provided in Section 59-150-370\$ 8,076,110;
(4) Commission on Higher Education—Palmetto Fellows
Scholarships as provided in Section 59-104-20\$ 30,277,240;
(5) Commission on Higher EducationNeed-Based Grants\$ 11,631,566;
(6) Tuitions Grants Commission—Tuition Grants\$ 7,766,604;
(7) Commission on Higher Education—National Guard Tuition
Repayment Program as provided in Section 59-111-75\$ 1,700,000;
(8) South Carolina State University\$ 2,500,000;
(9) Technology-Public 4-Year Universities, 2-Year Institutions,
and State Technical Colleges \$3,600,000;
(10) Department of Education-K-5 Reading, Math, Science &
Social Studies Program as provided in Section 59-1-525\$ 47,614,527;
(11) Department of Education - Grades 6-8 Reading, Math,
Science & Social Studies Program\$ 2,000,000;
(12) Commission on Higher EducationHigher Education
Excellence Enhancement Program\$ 4,700,000; and
(13) School for the Deaf and the Blind-Technology Replacement\$ 200,000.

Fiscal Year 2008-09 funds appropriated to the Commission on Higher Education for Tuition Assistance must be distributed to the technical colleges and 2-year institutions as provided in Section 59-150-360.

The provisions of Section 2-75-30 of the 1976 Code regarding the aggregate amount of funding provided for the Centers of Excellence Matching Endowment are suspended for the current fiscal year.

The Commission on Higher Education is authorized to temporarily transfer funds between appropriated line items in order to ensure the timely receipt of scholarships and tuition

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assistance. It is the goal of the General Assembly to fund the Tuition Assistance program at such a level to support at least \$996 per student per term for full time students.

Fiscal Year 2008-09 net lottery proceeds and investment earnings in excess of the certified net lottery proceeds and investment earnings for this period are appropriated and must be used to ensure that all LIFE, Palmetto Fellows, and HOPE scholarships for Fiscal Year 2008-09 are fully funded.

If the lottery revenue received for Fiscal Year 2008-09 is less than the amounts appropriated, the projects and programs receiving appropriations for any such year shall have their appropriations reduced on a pro rata basis, except that a reduction must not be applied to the funding of LIFE, HOPE, and Palmetto Fellows Scholarships.

The Commission on Higher Education is authorized to use up to \$260,000 of the funds appropriated in this provision for LIFE, HOPE, and Palmetto Fellows scholarships to provide the necessary level of program support for the scholarship award process.

For Fiscal Year 2008-09, \$8,400,000 certified from unclaimed prizes shall be appropriated for Technology: Public 4-Year Universities, 2-Year Institutions, and State Technical Colleges. The allocations of Section 59-150-230(I) of the 1976 Code are suspended for the current fiscal year. Of any unclaimed prize funds available in excess of the Board of Economic Advisors estimate, the first \$4,000,000 shall be directed to the State Board for Technical and Comprehensive Education for the Allied Health Initiative. The next \$1,000,000 shall be directed to the Commission on Higher Education for the Critical Needs Nursing Initiative Fund—Simulation Technology and Equipment. All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for Need Based Grants.

All additional revenue in excess of the amount certified by the Board of Economic Advisors for unclaimed prizes shall be distributed to the Commission on Higher Education for Need-Based Grants.

Notwithstanding the provisions of Section 59-150-355 of the 1976 Code or any other provision of law, the Budget and Control Board may distribute funds from the Education Lottery Account on a monthly basis during the final quarter of the fiscal year.

SECTION 6 - H03 - COMMISSION ON HIGHER EDUCATION

DELETE (Higher Education Task Force) Directs CHE to use the funds appropriated for the Task Force on Higher Education Study Committee to establish a Higher Education Task Force and directs that the mission of the task force is to develop and recommend an evolving multi-year statewide strategic plan for higher education to meet the needs of the state that can be addressed by higher education. Directs that Higher Education Statewide Strategic Plan recommendations be submitted to the General Assembly by September 15, 2008.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. Fiscal Impact: No impact on the General Fund.

6.21. (CHE: Higher Education Task Force) The funds appropriated to the Commission on Higher Education for the Task Force on Higher Education Study Committee shall be utilized to establish the Higher Education Task Force whose mission shall be to develop and recommend an evolving, multi-year statewide strategic plan for higher education in South Carolina to meet the needs of the state as can be addressed by higher education.

The task force shall consist of nine members appointed as follows: three by the Governor, one by the President Pro Tempore of the Senate, one by the Speaker of the House of Representatives, one by the Chairman of the Senate Finance Committee, one by the Chairman of the House Ways and Means Committee, one by the Chairman of the Senate Education

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Committee, and one by the Chairman of the House Education and Public Works Committee. The members appointed shall include persons knowledgeable in issues involving higher education to include, but not be limited to, higher education officials, K-12 education officials, and members of the business community. The task force shall elect its chairman from among its appointed members.

The task force shall review the current higher education mission and goals as set forth in Section 59-103-15 of the 1976 Code, taking into consideration the areas identified by the Governor's Task Force on Higher Education in their final report issued September 28, 2006, and shall also review all state supported higher education scholarship and grant programs.

Upon completion of the review the task force shall develop and recommend a Statewide Higher Education Strategic Plan which shall include, but not be limited to, the following five aspects of higher education as recommended by the Governor's Task Force on Higher Education's final report:

- (1) Institutional Missions and Academic Programs and Planning;
- (2) Enrollment;
- (3) Funding and Institutional Cost;
- (4) Buildings, Facilities, and Information Technology; and
- (5) Organization and Plan Implementation.

The Plan shall also include recommendations for all state supported higher education scholarship and grant programs whether funded through the Education Lottery Account or through the State General Fund.

The task force shall submit recommendations for the Higher Education Statewide Strategic Plan to the General Assembly by September 15, 2008.

- **CONFORM TO FUNDING** (Need-Based Grant Allocation Methodology) Requires that allocation of public institutions' need-based grant funds be done using a methodology that considers state resident Pell Grant recipients such that each public institution receives a sufficient amount to provide a similar level of support per state resident Pell recipient when compared to tuition and required fees. Directs however, that no public institution receive less funds than they would have received under the allocation methodology used in FY 07-08.
 - **SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION** Delete directive that no public institution receive less funds than they would have received under the allocation methodology used in FY 07-08.
 - **6.22.** (CHE: Need-Based Grant Allocation Methodology) Need-based grant funds for public institutions must be allocated using a methodology that considers state resident Pell Grant recipients such that each public institution shall receive an amount sufficient to provide a similar level of support per state resident Pell recipient when compared to tuition and required fees. However, no public institution shall receive less funding than would be provided under the methodology used in FY 2007-08.
- **6.23 AMEND** (Tuition Age) Suspends, for FY 08-09, the tuition free age limit for children of certain war veterans who may be admitted to any state-supported institution of higher learning or post high school technical education institution for eligible children who successfully appeal the Division of Veteran's Affairs on the grounds of a serious extenuating health condition. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to change "2008-2009" to "2009-10." Fiscal Impact: No impact on the General Fund.
 - **6.23.** (CHE: Tuition Age) For Fiscal Year 2008-2009 2009-10, the age limitation for those children of certain war veterans who may be admitted to any state-supported college,

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university, or post high school technical education institution free of tuition is suspended for eligible children that successfully appeal the Division of Veterans Affairs on the grounds of a serious extenuating health condition.

SECTION 31 - H95 - STATE MUSEUM

- **31.6 AMEND** (Across-the-Board Cut Exemption) Exempts the amount of rent paid to General Services for retirement of General Revenue Bonds from the museum's base budget in the calculation of any across-the-board cut mandated by the B&C Board or General Assembly. **SUBCOMMITTEE RECOMMENDATION:** AMEND proviso to delete reference to "retirement of General Revenue Bonds." Fiscal Impact: Pending.
 - **31.6.** (MUSM: Across-the-Board Cut Exemption) In the calculation of any across-the-board cut mandated by the Budget and Control Board or General Assembly, the amount of the museum's rent which the commission pays to General Services for the retirement of General Revenue Bonds shall be excluded from the museum's base budget.